

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

MINERALS PROGRAM
FILE COPY

Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203 801-538-5340

September 8, 1989

Mr. Richard D. McNeely District Manager Western States Minerals Corporation 4975 Van Gordon Street Wheat Ridge, Colorado 80033

Dear Mr. McNeely:

Re: Approval of Request for Second Time Extension, Finalization of Permit Transfer and Release of Reclamation Surety, Drum Mine, M/027/007, Millard County, Utah

This letter is provided in response to Western States Minerals Corporation's (WSMC) August 24, 1989, request for a three-month time extension for resolution of the remaining permitting issues at the Drum Mine. The Division recognizes the complexity and difficulties involved in resolving the outstanding permitting issues for the Drum Mine.

Given the nature of the extenuating circumstances, we hereby grant WSMC an additional 90-days, or until November 30, 1989, to resolve the outstanding permitting issues. We sincerely hope that WSMC and Jumbo Mining Company can achieve a timely solution to resolve their difference of opinions. We would like to jointly proceed toward ultimate completion of the permit transfer process and release of WSMC's reclamation surety as soon as possible.

If we can provide any assistance in achieving this goal, please contact us at your earliest convenience. Please contact me or D. Wayne Hedberg should you have questions pertaining to this extension.

Sincerely,

Lowell P. Braxton

Associate Director, Mining

DWH/ib

cc: Ed King, Jumbo Mining Co. Wayne Hedberg Scott Johnson

Holland Shepherd

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